

FINANCE DIVISION OPERATING PROCEDURE 30-7-2

SUBJECT: Liquidation of Advances to Agency Personnel

I. GENERAL

By memorandum from the Comptroller dated 1 June 1954, the Chief and Deputy Chief, Finance Division, have been authorized to approve requests for liquidation of unaccounted for balances of advance accounts on an installment basis. Consideration and action to approve requests for installment settlement of advances will require action as follows:

- A. Each request for approval of installment plans of settlement of an advance account must be in writing, be signed by the advances, and must include:
 1. Acknowledgement of the indebtedness.
 2. A statement setting forth the reasons why the advances failed to account for or refund the advance promptly upon completion of purpose for which funds were advanced.
 3. The disposition of funds which now makes it impossible to make immediate refund in full.
 4. Request for approval of the proposed method of settlement.
- B. Each advances proposing to settle his advance account will be advised:
 1. That acceptance by Finance Division of the proposal to liquidate an advance account on an installment basis is not to be construed in any way as administratively excusing or condoning his failure to refund promptly unused portions of advances upon fulfillment of the purpose for which the funds were advanced, nor does such action preclude disciplinary or other action considered appropriate

2. That any instances wherein an advancee is unable to account for or refund advances of official funds upon completion of the purpose for which the funds were advanced presents a presumption of misuse of funds and must be reported to the Deputy Director (Support) and the Inspector General.
- C. Upon approval of an installment method of settlement of an advance account, a memorandum summarizing the case and the action taken will be prepared. The memorandum will be prepared for the signature of the Chief, Finance Division, and will be directed to the Deputy Director (Support) through the Comptroller, with a copy for the Inspector General. A copy of the request for approval of the installment plan of settlement obtained under IA above will be attached to each copy of this memorandum.

II.

In any case where the advancee is overseas and request for installment settlement of an advance account is received by pouch or cable and deduction from payroll is authorized the case will be presented for immediate approval even though all information under I A has not been received. In such case, the advancee will be advised, through his field station, that:

- A. Deductions will be effected in accordance with his request.
- B. Final action on the case requires submittal by him of a statement covering the points listed under I A (or those points not covered by prior communications).
- C. Compliance with his request for liquidation of the advance by payroll deductions is not to be construed in any way as administratively excusing or condoning his failure to refund promptly unused portions of advances upon fulfillment of the purpose for which the funds were advanced, nor does such action preclude disciplinary or other action considered appropriate in the circumstances.

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- D. The memorandum to the Deputy Director (Support) will include recommendations as to further action, if any, which appears to be appropriate to the circumstances. Normally, minimum action recommended will be a letter of reprimand to the advancee over the signature of the DD/S. Where such letter is recommended, a ~~proper~~ proposed draft will be prepared and forwarded with the memorandum under I C above. A copy of the letter will be provided for the advancee's Division Chief, and consideration will be given to providing a copy for the advancee's personnel file.

III. REPORTS TO DD/A AND INSPECTOR GENERAL

- A. In accordance with existing instructions, each case wherein an employee or agent is unable to account for or refund an advance upon completion of the purpose for which the funds were advanced will be reported by memorandum to the DD/A, through the Comptroller, as a case involving the possible misuse of Agency funds. A copy of the memorandum will be furnished to the Inspector General.
- B. In addition to the above report, the DD/A has requested that in each case involving inability to account for or refund official funds, consideration be given to a letter of reprimand or ~~admonition~~ admonition. Determination as to whether such a letter will be prepared for release by the DD/A will be by the Chief or Deputy Chief, Finance Division, in the light of the circumstances in each individual case.

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